

Committee on Ways and Means

American Economy Growing and Resilient

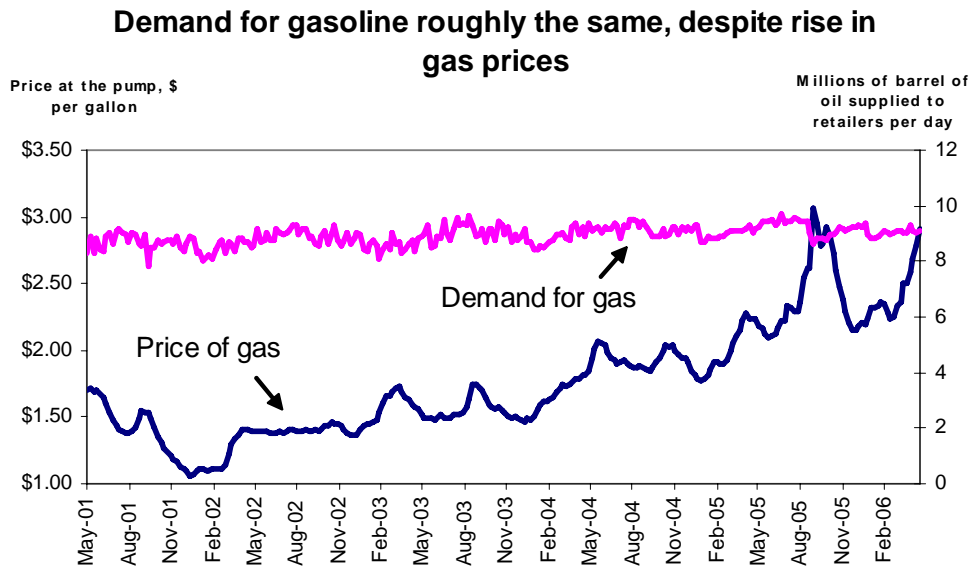
The U.S. economy has grown for 18 consecutive quarters, averaging 3.2 percent growth per quarter over that period. The unemployment rate stands at 4.7 percent, as payrolls added 138,000 jobs in April.

Fundamentals of the U.S. economy remain on course as consumers show confidence...

- Workers' paychecks grew at 4.1 percent in the last 12 months, the fastest pace since 1998.
- Consumer confidence is at 109.6 – the highest level in four years.
- Retail sales were up 0.6 percent in March, and are up 7.9 percent in the last 12 months.
- Personal consumption is up 6.4 percent in the last year.
- Real disposable income rose 2.2 percent in the last year.
- The productivity boom continues, as the Labor Department announced business productivity grew 3.4 percent in the first quarter.
- Business investment has grown 11 percent in the last four quarters, and firms continue hiring.
- The Dow Jones Industrial Average continues to meet and surpass six-year highs, closing at 11,438 on May 4th, 280 points off the all-time high.

...despite high-profile headwinds

- Gas prices have climbed 22 percent in the last 12 months, from \$2.29/gallon to \$2.78/gallon.
 - This is 14 percent below the price reached in March 1981, when gasoline averaged \$3.18 in today's dollars.
- Home sales are down six percent in the last year, and 1.2 percent in March, according to a measure of pending sales released by the National Association of Realtors.



Source: Energy Information Agency